CLIENTALERT

June 26, 2020

CEWS AND CERB EXTENSION OF GOVERNMENT AID: UPDATE TO APRIL 11, 2020 PUBLICATION

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The Government of Canada has now updated its <u>Canada Emergency Wage Subsidy (CEWS)</u> page and its <u>Canada Emergency Response Benefit (CERB)</u> page to inform the public of benefit extensions in response to COVID-19.

CANADA EMERGENCY WAGE SUBSIDY

CEWS provides a 75% wage subsidy to employers based on each employee's pre-COVID-19 salary, with a limit of \$847 per week per employee, for 12 weeks, retroactive to March 15, 2020.

We reported in a previous alert that under CEWS, there are three qualifying periods (i) March 15, 2020 to April 11, 2020; (ii) April 12, 2020 to May 9, 2020; and (iii) May 10, 2020 to June 6, 2020 for which employers can claim CEWS.

CEWS has now been extended by an additional 12 weeks, to August 29, 2020. The same rules applicable to the previous three periods will apply to the current, fourth period (June 7, 2020 to July 4, 2020). Thereafter, the extension will commence as period five (July 5, 2020 to August 1, 2020) and/or period six (August 2, 2020 to August 29, 2020). The Government of Canada will soon be announcing potential changes to the program's framework for the fifth and/or sixth periods. The <u>public consultation</u> in relation to such focused the discussion on adjustments to the program to benefit those most affected, eliminating barriers to rehiring workers and expanding access to better target those who need the program.

CANADA EMERGENCY RESPONSE BENEFIT

CERB gives financial support to qualifying Canadians who are directly affected by COVID-19. If an individual is eligible for CERB, they may receive \$2,000 over a 4-week period.

CERB has now been extended from 16 weeks to 24 weeks to October 3, 2020. This extension applies to workers who: (1) stopped working due to COVID-19; (2) are eligible for Employment Insurance regular or sickness benefits; or (3) have exhausted their Employment Insurance regular benefits or Employment Insurance benefits between December 29, 2019 and October 3, 2020.

For official Government of Canada updates and information about Canada's response to COVID-19, <u>visit http://canada.ca/coronavirus/.</u>

This is an update to a previous alert on this topic dated April 11, 2020, found here: Covid-19 Wage Subsidy Bill Received Royal Assent on April 11, 2020

KEY CONTACTS



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Please Note: These materials do not constitute legal advice. Government initiatives, announcements, and regulations in response to the COVID-19 situation continue to evolve and change frequently. As such, it is important to ensure you are aware of current information and that you consult with a lawyer before making your business decisions. For further information, please contact one of the key contacts listed herein.

